



Billing Code 3510-FP

DEPARTMENT OF COMMERCE

International Trade Administration

Travel and Tourism Trade Mission to Taiwan, Japan and Korea

AGENCY: International Trade Administration, Department of Commerce

ACTION: Notice

MISSION DESCRIPTION

The United States Department of Commerce, International Trade Administration, U.S. & Foreign Commercial Service, is organizing a Trade Mission to Taiwan, Japan, and Korea March 10 –14, 2014. The purpose of the mission is to help U.S. firms in the travel and tourism industry find business partners and sell services in Taipei, Taiwan; Seoul, Korea; and Tokyo, Japan. The targeted sector for participation in this mission is travel and tourism, including U.S.-based travel and tourism suppliers, destination marketing organizations (i.e., convention and visitors bureaus), travel promotion organizations and other travel and tourism entities promoting and selling travel to the United States including trade associations.

COMMERCIAL SETTING

Taiwan

Each year, roughly 41% of Taiwan's 23 million people travel abroad and an estimated 300,000 traveled to the United States in 2012. The forecast is that nearly 400,000 visitors from Taiwan (a 25% increase) will travel to the United States annually by 2015 as a result of Taiwan's entry into the U.S. Visa Waiver Program on November 1, 2012. Taiwan is the only economy to receive

visa-free status in the last three years, and it is an exciting time to promote U.S. travel destinations given the pent-up demand for travel to the United States from Taiwan.

On average, a Taiwan visitor to the United States spends about \$4,000 per trip. This number translates to over \$1.1 billion yearly in travel and tourism spending by Taiwan outbound travelers to the United States. Taiwanese enjoy shopping, dining out, sightseeing in cities, experiencing amusement and theme parks, and visiting historic places.

For Taiwan nationals, outbound travel is both a vital part of doing business in this trade-oriented economy and a trendy form of leisure holidays. Taiwan's GDP per capita is one of the highest in Asia at approximately \$20,400, which means that an increasing share of the population has the means to seek and enjoy leisure travel abroad. In the capital city, Taipei, it rains about 180 days each year, and Taiwan travelers are always searching for sunny and dry destinations for their holiday adventures. Taiwan is also the sixth-largest source of international students for the United States, many of whom have friends and family visiting them regularly and enjoying U.S. destinations and attractions.

The United States is among the top five destinations for Taiwan outbound travelers, and is the top non-Asian and long-haul destination. Despite its popularity with Taiwan outbound travelers, the United States faces strong competition from other destinations that also don't require a visa, such as Australia, China, Japan, Thailand and European Union countries.

Korea

In 2012, over 13.7 million Koreans, roughly one fourth of the population, traveled abroad and over one million traveled to the United States. It is estimated that by 2014 nearly 1.5 million Koreans (a 23% increase) will travel to the United States annually. On average, a Korean visitor

to the United States spends approximately \$3,500 per trip. This will translate to over \$5 billion in tourism spending by Korean outbound travelers to the United States in 2014.

Korea's remarkable economic growth over the past 30 years has transformed the country, moving it from the ranks of developing nations to exclusive membership among the world's most developed and richest economies. In 2012 Korea enjoyed a 2.1% increase in GDP, which now totals \$1.14 trillion. Korea's per capita GDP in 1963 was just \$100. Today, it exceeds \$32,400. Increased income has given Koreans the means to seek and enjoy leisure travel abroad. Industry experts expect that the number of outbound travelers will continue to increase for the next five years and that demand for sophisticated and niche market travel, such as for meetings, conventions and exhibitions; cruises and edu-tourism will grow significantly.

The United States remains one of the top five destinations for both Taiwan and Korean outbound travelers, and is the top non-Asian and long-haul destination for both countries. Despite its popularity with Taiwan and Korean outbound travelers, the United States faces strong competition from aggressive marketing from other destinations that also don't require a visa, such as Australia, China, Japan, Thailand and the European Union.

Japan

Japan remains the world's third-largest economy, after the United States and China, with a GDP of roughly \$5.8 trillion. Japan is the fourth largest export market for U.S. goods and services, and was our fourth largest trading partner overall in 2012.

Japan is a major source of travel to the United States, providing substantial economic benefits.

An estimated 3.7 million Japanese visited the United States in 2012, ranking Japan 4th in number of travelers to the United States. Japan ranked second behind Canada, however, in the amount of total spending by travelers in the United States in 2012 -- close to \$15 billion.

The number of Japanese outbound travelers in 2012 was 18.5 million, an increase of 8.8 percent over the previous year. This is the highest in Japanese history. As of November 2012, 3.4 million Japanese visitors had traveled to the United States, a 14-percent increase over the same period last year. CS Japan projects that Japan should finish 2012 at around 3.7 million visitors to the United States. Projections for United States destinations remain good in 2013 regardless of any depreciation of the yen.

After more than two decades of stagnation, Japan's travel industry is seen as growing. With the implementation of the Open Skies Agreement and the introduction of the Boeing 787 Dreamliner, new nonstop flights have begun between Boston, Seattle, San Diego, San Jose, and Denver with Tokyo. In addition, BrandUSA and the Japan Association of Travel Agents successfully implemented a "Japan-U.S. Tourism Exchange Year" in 2012/13. As a result, the United States has enjoyed high visibility in recent months, and now is an excellent time for the U.S. travel industry to capitalize on that groundwork to actively promote their destinations and services in the Japanese market.

Other Products and Services

The foregoing analysis of travel and tourism opportunities in Taiwan, Japan, and Korea is not intended to be exhaustive, but illustrative of the many opportunities available to U.S. businesses. Applications from companies selling products or services within the scope of this mission, but

not specifically identified, will be considered and evaluated by the Department of Commerce. Companies whose products or services do not fit the scope of the mission may contact their local U.S. Export Assistance Center to learn about other business development missions and services that may provide more targeted export opportunities. Companies may call 1-800-872-8723, or go to <http://help.export.gov/> to obtain such information. This information also may be found on the website <http://www.export.gov>.

MISSION GOALS

The goal of this Trade Mission is to help U.S. destinations and tourism suppliers, including receptive tour operators, to develop their contacts and generate exports in Taiwan, Japan and Korea by providing business-to-business introductions and market access information so they can position themselves to enter or expand their presence in the Taiwan, Japanese and Korean markets.

MISSION SCENARIO

The Taiwan – Japan – Korea Travel and Tourism Trade Mission will visit Taipei, Tokyo and Seoul, allowing participants to access the largest markets and business centers in the three countries. In each city, participants will meet with potential business contacts.

PROPOSED TIME TABLE

DATE	DAY	ACTIVITY
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March 9	Sunday Taipei	Arrive in Taipei
March 10	Monday Taipei	Mission Meetings Officially Start Breakfast briefing with U.S. Embassy Staff One-on-one business appointments Evening business reception
March 11	Tuesday Travel to Tokyo	
March 12	Wednesday Tokyo	Briefing by U.S. Embassy Staff One-on-one business meetings Evening business reception
March 13	Thursday Travel to Seoul	
March 14	Friday Seoul	Briefing by U.S. Embassy Staff One-on-one business meetings Evening business reception Mission ends

***Note:** The final schedule and potential site visits will depend on the availability of local government and business officials, specific goals of mission participants, and air travel schedules.

PARTICIPATION REQUIREMENTS

All parties interested in participating in the trade mission to Japan, Korea and Taiwan must complete and submit an application package for consideration by DOC. All applicants will be evaluated on their ability to meet certain conditions and best satisfy the selection criteria as outlined below. U.S. companies or trade associations already doing business with Japan, Korea and Taiwan, as well as U.S. companies seeking to enter these markets for the first time, may apply. A minimum of fifteen, and a maximum of thirty, companies and/or trade associations will be selected from the applicant pool for participation in this mission.

Fees and Expenses

After a company has been selected to participate in the mission, a payment to the Department of Commerce in the form of a participation fee is required.

This Trade Mission is organized as three separate segments (Taiwan, Korea and Japan). Companies may choose to participate in one, two or all three segments. The fee for participating in more than one segment is the sum of the individual segments.

For business-to-business meetings in Taiwan only (not traveling to an additional trade mission country), the participation fee will be \$1,400 for a small or medium-sized enterprise (SME)^{1*} and \$1,625 for large firms*.

For business-to-business meetings in Japan only (not traveling to an additional trade mission country), the participation fee will be \$1,725 for a small or medium-sized enterprise (SME)^{1*}

¹ An SME is defined as a firm with 500 or fewer employees or that otherwise qualifies as a small business under SBA regulations (see http://www.sba.gov/services/contracting_opportunities/sizestandardsttopics/index.html). Parent companies, affiliates, and subsidiaries will be considered when determining business size. The dual pricing reflects the Commercial Service's user fee schedule that became effective May 1, 2008 (see <http://www.export.gov/newsletter/march2008/initiatives.html> for additional information).

and \$1,925 for large firms*.

For business-to-business meetings in Korea only (not traveling to an additional trade mission country), the participation fee will be \$1,275 for a small or medium-sized enterprise (SME)^{1*} and \$1,475 for large firms*.

Conditions for Participation

- An applicant must submit a completed and signed mission application and supplemental application materials, including adequate information on the company's products and/or services, primary market objectives, and goals for participation. If the Department of Commerce receives an incomplete application, the Department may reject the application, request additional information, or take the lack of information into account when evaluating the application.
- Each applicant must also certify that it seeks to attract international travelers to the United States and that the travel and tourism products and services it seeks to export through the mission are located in the United States.

Selection Criteria for Participation

- Suitability of the company's (or, in the case of a trade association or trade organization, represented companies') products or services to the market.
- Company's (or, in the case of a trade association or trade organization, represented companies') potential for conducting business in the country and region, including likelihood of exports resulting from the mission.

- Consistency of the applicant's goals and objectives with the stated scope of the mission.

Diversity of company size, sector or subsector, and location may also be considered during the review process.

Referrals from political organizations and any documents containing references to partisan political activities (including political contributions) will be removed from an applicant's submission and not considered during the selection process.

TIMEFRAME FOR RECRUITMENT AND APPLICATIONS

Mission recruitment will be conducted in an open and public manner, including publication in the Federal Register, posting on the Department of Commerce trade mission calendar (www.export.gov/trademissions) and other Internet web sites, press releases to general and trade media, notices by industry trade associations and other multiplier groups, and publicity at industry meetings, symposia, conferences, and trade shows.

Recruitment for the mission will conclude no later than February 7, 2014. The U.S. Department of Commerce will review applications and make selection decisions on a rolling basis until the maximum of thirty participants is reached. We will inform all applicants of selection decisions as soon as possible after the applications are reviewed. Applications received after February 7, 2014 will be considered only if space and scheduling constraints permit.

HOW TO APPLY

Applications can be downloaded from the trade mission website or can be obtained by contacting the Department of Commerce staff listed below. Completed applications should be submitted to Frank Spector at Frank.Spector@trade.gov.

<p>CONTACTS:</p> <p>Commercial Service Trade Missions Program</p> <p>Frank Spector</p> <p>Senior International Trade Specialist</p> <p>Tel: 202-482-2054</p> <p>E-mail: Frank.Spector@trade.gov</p>	<p>U.S. Commercial Service (U.S.)</p> <p>Anastasia Xenias</p> <p>212-809-2685</p> <p>E-mail: Anastasia.Xenias@trade.gov</p>
<p>U.S. Commercial Service Japan</p> <p>Stephen Anderson</p> <p>Commercial Attaché</p> <p>Tel: 81-3-3224-5058</p> <p>Email: Stephen.Anderson@trade.gov</p>	<p>U.S. Commercial Service Korea</p> <p>Keenton Chiang</p> <p>Commercial Attache</p> <p>Tel: 82-2-397-4908</p> <p>E-mail: Keenton.Chiang@trade.gov</p>

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